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**California
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EDITORIAL

An Important New Job For CPS

THE NEW government-financed health care programs stemming from recently-enacted federal and state legislation will have the practical effect of involving California Physicians' Service-Blue Shield in payment for health care services for more than two million aged or indigent residents of California. This extension of CPS-Blue Shield activities beyond the one million persons under CPS commercial programs greatly increases the importance of the role Blue Shield plays in providing health care coverage for citizens of this state.

At the direction of the California Medical Association and with its assistance and support, CPS has successfully bid for statewide administration of the California Medical Assistance Program (the Casey Bill program), and also has been chosen to handle Part B of the Social Security Medicare Program in all California counties except Los Angeles and Orange.

The ability of CPS to fulfill its new role and successfully administer these programs will depend in large part on a cooperative effort between each of us as individual physicians, our county and state medical organizations and our fiscal arm, CPS-Blue Shield. It may also be said that the concept in the present laws establishing the physician's right to be paid a reasonable fee for his services also depends upon the results of our cooperative venture.

Achievement of the task assigned to CPS under the government programs calls for much greater reliance on local guidance than in the past. Final determination of the "reasonable charge" for a physician's services and for utilization review of these services legally rests with CPS-Blue Shield, but local professional review obviously is essential for judging both fees and utilization. County medical society review committees and Foundation review committees must assist in the establishment of general review guidelines and in the review of individual cases to assure that local practice is reflected in payment for and utilization of services. It should be clearly recognized that this involvement is not primarily to "help CPS." It is essential to the interests of the medical profession. Through the tangible results of this cooperative effort it is hoped the government may be persuaded that further direct involvement in the individual physician's practice and relationship with his patient is unnecessary and unwarranted.

Although we, as individual physicians, may not agree with the philosophy of government subsidy of medical care, we can feel considerable satisfaction that the current laws incorporate a great many concepts actively sought by the medical profession. Among these are free choice of physician and hospital, payment on a reasonable fee basis, and program administration within the medically-oriented private sector of the economy. The ability to maintain these concepts depends entirely on the degree of success achieved in the operation of the programs as they are now constituted.

Obviously a great deal of responsibility is being placed on the individual physician as well as on the organizations which represent him. Without question the new Medicare program and the Cali-